

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Transferring Selected Post Office Box
Service Locations to the Competitive
Product List

Docket No. MC2011-25

COMMISSION INFORMATION REQUEST NO. 1

(Issued July 17, 2014)

In the instant docket, the Postal Service requested that Post Office Box Service at approximately 6,800 locations be transferred from the market dominant product list to the competitive product list.¹ On July 29, 2011, after reviewing the Request and comments submitted, the Commission granted the Postal Service's request to transfer Post Office Box Service at the approximately 6,800 locations to the competitive product list.² In a recent notice that it filed in the Federal Register, the Postal Service proposes to transfer approximately 1,625 additional Post Office Box Service locations from the market dominant product list to the competitive product list.³

To clarify the Postal Service's planned transfer of these locations from the market dominant to the competitive product list, the Postal Service is requested to provide written responses to the following questions. Answers should be provided no later than July 24, 2014.

Please refer to the Request filed in this docket.

¹ Request of the United States Postal Service to Transfer Post Office Box Service in Selected Locations to the Competitive Product List, May 13, 2011 (Request).

² Order No. 780, Order Approving Request to Transfer Additional Post Office Box Service Locations to the Competitive Product List, July 29, 2011.

³ 79 FR 38972 (July 9, 2014) (Federal Register Notice).

1. In the statement of supporting justification accompanying the Request, the Postal Service explained that it identified Post Office Box Service locations that serve customers who have access to private mail boxes (PMBs) within five miles of their residences as facing direct competition from such PMBs such that the Postal Service's ability to raise prices significantly is constrained. Request, Attachment B at 5. In the recently filed Federal Register Notice, the Postal Service indicates that it is expanding competitive service to approximately 1,625 additional locations.
 - a. In identifying these approximately 1,625 additional locations, please confirm that the Postal Service continues to apply the criterion that it previously described, *i.e.*, identifying Post Office Box Service locations that serve customers who have access to PMBs within five miles of their residences?
 - b. If not confirmed, please
 - (i) explain what criteria the Postal Service is using to identify the approximately 1,625 additional locations and why the Postal Service is using the alternative criteria, and
 - (ii) explain why the Postal Service has not filed a request with the Commission pursuant to 39 C.F.R. § 3020.30 *et seq.*
2. In the statement of supporting justification accompanying the Request, the Postal Service describes the process by which it identified competitive Post Office Box locations as using a contractor to develop a list of PMBs, mapping the population residing within five miles of each PMB, and compiling a list of post office locations that serve those populations. Request, Attachment B at 5.
 - a. Please describe the process by which the Postal Service identified the approximately 1,625 additional locations.

- b. Please explain how the Postal Service took account of changes in PMB numbers and locations in the time between the Postal Service's initial effort to identify competitive locations and the present.
 - c. Please confirm that each of the approximately 1,625 additional locations satisfies the five mile criterion.
- 3. In the statement of supporting justification accompanying the Request, the Postal Service indicates that some locations that meet the five mile criterion will nonetheless remain market dominant based on constraints to access or a small customer base. Request, Attachment B at 10. The Postal Service explains that it has made the business decision not to transfer locations with less than 250 boxes to competitive fees due to the "small customer base." *Id.* at n.14. The criterion of 250 or fewer P.O. Box Service customers is not included in the Mail Classification Schedule, which refers to a "small customer base" without a specific definition.
 - a. Please confirm that the Postal Service, in transferring the approximately 1,625 additional locations, continues to exclude locations with less than 250 boxes due to the "small customer base" and locations with access constraints.
 - b. If not confirmed, please
 - (i) describe the criteria that the Postal Service employs in determining which locations that meet the five mile criterion will nonetheless remain market dominant, and
 - (ii) explain why the Postal Service has not filed a request with the Commission pursuant to 39 C.F.R. § 3020.30 *et seq.*

By the Commission.

Shoshana M. Grove
Secretary